

January 24, 1986

TO: File

FROM: Pamela Grubaugh-Littig, Reclamation Engineer *pgl*

RE: Request for Termination of Period of Liability from  
Bureau of Land Management for White River Shale Oil  
Corporation, White River Shale Oil Project,  
ACT/047/017, Uintah County, Utah

In response to the letter from the Deputy State Director of the Bureau of Land Management (BLM) to Dianne R. Nielson dated January 14, 1986, regarding the "bond release" for White River Shale Oil Corporation (WRSOC), I have the following comments:

I spoke with Mr. Don Alvord, BLM-Vernal Office, on January 22, 1986 and inquired about the present status of the WRSOC project. He stated that presently, the facility is on a stand-by basis. There is security, all of the buildings and shaft and portals are intact. During the next six months, the BLM will pursue soliciting other agencies or industries who may wish to assume responsibility for and use the facilities (e.g., Bureau of Mines, Oil Shale Office, etc.). If after that time, there is no interest, the BLM will pursue removing buildings, seal shafts, etc.

I do not recommend terminating the "period of liability" for the present bond in the amount of \$4,400,000.00 (#K00-683449-C-121) with WRSOC as principal, and Insurance Company of North America, as surety. This bond should continue to cover the reclamation costs.

1. According to 40-8-14(5), "the liability under surety provisions shall continue until such time as released as to part, or in its entirety, by the division." At this point in time, there has been some contemporaneous reclamation work performed, but not the entire reclamation of the land affected. An onsite visit and documentation for partial bond release for the present status of any reclamation could be done.

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2. According to 40-8-14(6), "if the operator fails or refuses to carry out the necessary land reclamation as outlined in the approved notice of intention, the board may, after notice and hearing, declare any surety filed for this purpose forfeited."

The operator must notify the Division of suspension of operations. Additionally, if after the six month period the BLM decides this facility should be reclaimed, the Division should be involved in the reclamation of this site.

btb  
cc: Lowell Braxton  
John Whitehead  
9075R-28 & 29